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UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF IDAHO

CAPITAL EDUCATORS FEDERAL
CREDIT UNION,

Plaintiff,

vs.

CAPITOL FEDERAL FINANCIAL, INC.
d/b/a Capitol Federal Savings Bank,

Defendant.

Case No. 1:19-cv-282

COMPLAINT FOR DECLARATORY
JUDGMENT

Plaintiff **Capital Educators Federal Credit Union** (“Plaintiff”), by and through its undersigned attorneys of record, for and against Capitol Federal Financial, Inc. d/b/a Capitol Federal Savings Bank (“Defendant”), alleges as follows:

NATURE OF THE ACTION

1. **This is an action under the Declaratory Judgment Act, 28 U.S.C. § 2201, et seq., for declaratory judgment of non-infringement of Defendant’s CAPFED trademark pursuant to the Trademark Laws of the United States, 15 USC § 1051, et seq., and 15 USC § 1125, et seq.**

Plaintiff seeks a declaration that its use of the term “CapEd” does not infringe Defendant’s rights in its CAPFED trademark.

2. This action arises out of Defendant’s demands that Plaintiff discontinue all use of “CapEd.”

PARTIES

3. Plaintiff is an Idaho Non-Profit Organization with its principal place of business at 275 S. Stratford Dr., Meridian, Idaho 83642.

4. Upon information and belief, Defendant is a Maryland corporation with its principal place of business at 700 S. Kansas Ave., Topeka, Kansas 66603.

JURISDICTION AND VENUE

5. This Court has original jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1338.

6. This Court has personal jurisdiction over Defendant because, upon information and belief, Defendant has established minimum contacts with this forum, and has substantial, continuous, and systematic contacts with the State of Idaho. Upon information and belief, Defendant advertises its commercial services and products via the Internet and mailings to residents of the State of Idaho, markets its commercial services to consumers in the State of Idaho, provides commercial services to numerous residents of the State of Idaho, and derives income from numerous residents of the State of Idaho. By virtue of these actions, Defendant has purposefully availed itself of the privilege of conducting business in this State and in this judicial District.

7. Venue is proper in this District under 28 U.S.C. § 1391 (b) and (c) because, upon information and belief, a substantial part of the events giving rise to Plaintiff's claims occurred in this District and because Defendant is subject to personal jurisdiction in this District.

8. An actual case or controversy exists between the parties. Defendant has threatened to take action against Plaintiff, has asserted that Plaintiff is engaging in acts of trademark infringement and unfair competition, and has demanded that Plaintiff discontinue all use of "CapEd."

GENERAL ALLEGATIONS

9. Plaintiff offers and provides credit union services under the name "CapEd" to consumers in the Pacific Northwest, principally within the State of Idaho.

10. Upon information and belief, Defendant offers and provides banking services sometimes under the name CAPFED.

11. Upon information and belief, Defendant is the record owner of U.S. Registration No. 4,104,054 for the mark CAPFED in International Class 36 (the "CAFFED Mark"). A true and correct copy of the forgoing registration from the U.S. Patent and Trademark Status and Document Retrieval (TSDR) is attached hereto as Exhibit A.

12. Plaintiff has been known as Capital Educators Federal Credit Union, doing business under that name, since 1972. Plaintiff's customers had been referring to it informally as "Cap Ed Credit Union" since at least the early 1980s. Plaintiff formally adopted the "CapEd" name in 2008 and has been doing business under that name continuously since at least that time.

13. “CapEd” is distinctively different in design, concept and function from Defendant’s CAPFED Mark. “CapEd” functions as a reminder to its customers of Plaintiff’s unique history as an educators’ credit union.

14. There is no direct competition between Plaintiff’s and Defendant’s services claimed within the same geographical area.

15. By letter dated March 9, 2016, counsel for Defendant demanded, *inter alia*, that Plaintiff “immediately cease all use of the infringing CapEd mark and any other confusingly similar mark in connection with any credit union, banking, financial services or any other related services”

16. By letter dated April 29, 2016, counsel for Plaintiff explained that Plaintiff has common-law rights in, and for the use of, “CapEd” in all geographic areas of prior use.

17. Defendant then filed a petition with the Trademark Trial and Appeal Board to cancel Plaintiff’s federally registered “CapEd” Mark.

18. By letter dated January 14, 2019, counsel for Defendant “renew[ed] its demands that [Plaintiff] discontinue all use of ‘CapEd’ and transfer all domain names containing ‘caped.’”

19. By letter dated February 28, 2019, counsel for Plaintiff again explained that Plaintiff’s use of “CapEd” was based on common-law rights by virtue of its prior and continuous use of same since at least 2008, more than two years before Defendant applied for registration of the CAPFED Mark.

20. By letter dated June 5, 2019, counsel for Defendant declined to enter into any coexistence agreement with Plaintiff, and demanded a response “no later than June 10, 2019. Otherwise, I will recommend my client consider further legal proceedings.”

21. Defendant's repeated allegations that Plaintiff has infringed on the CAPFED Mark and its demands that Plaintiff cease all use of "CapEd" created a reasonable apprehension of litigation, and accordingly, there exists an actual case or controversy.

22. Defendant's threats and demands have placed a cloud over Plaintiff's rights to continue using "CapEd" to market and provide its services.

23. In light of Defendant's threats and allegations, Plaintiff is in need of, and is entitled to, a judicial determination that (a) there is no likelihood of confusion between Plaintiff's use of "CapEd" on the one hand, and Defendant's CAPFED Mark on the other; (b) Plaintiff's use of "CapEd" does not infringe any federal trademark rights owned by Defendant and does not constitute unfair competition under federal or state law; and (c) Plaintiff is entitled to continue its use of "CapEd" in all geographic areas of use prior to Defendant's application to register its CAPFED Mark.

FIRST CLAIM FOR RELIEF

24. Plaintiff repeats and realleges the allegations contained in paragraphs 1 - 23 of this Complaint as if set forth fully herein.

25. Defendant claims that Plaintiff's use of "CapEd" constitutes federal and common law trademark infringement and unfair competition, and, under a threat of litigation, demands that Plaintiff cease all use of "CapEd" in commerce.

26. An actual, present, and justiciable controversy exists between Plaintiff and Defendant regarding Plaintiff's use of the term "CapEd" in connection with marketing and providing its services.

27. There is no likelihood of confusion between Plaintiff's use of "CapEd" on the one hand, and Defendant's CAPFED Mark on the other

28. Plaintiff has common-law rights in, and to the use of, "CapEd."

29. Plaintiff seeks a declaratory judgment from this Court that its use of the term "CapEd" is not likely to cause confusion as to the source, affiliation, or sponsorship of Plaintiff's services with those of Defendant.

30. Plaintiff seeks a declaratory judgement from this Court that Plaintiff's use of the term "CapEd" does not constitute trademark infringement under the Lanham Act or under Idaho state common law.

31. Plaintiff seeks a declaratory judgement from this Court that Plaintiff's use of the term "CapEd" does not constitute unfair competition under the Lanham Act or under Idaho state common law.

32. Plaintiff seeks a declaratory judgement from this Court that, even if "CapEd" is found to be confusingly similar to the CAPFED Mark, Plaintiff has common-law rights in, and the continuing right to use, "CapEd" as a mark for credit union services in all geographic areas of use predating the filing of Defendant's application to register its CAPFED Mark.

33. Plaintiff seeks a declaratory judgement from this Court that Defendant has not suffered, and will not suffer, any damages or loss of good as a result of Plaintiff's use of the term "CapEd."

34. Plaintiff seeks a declaratory judgement from this Court that Defendant is not entitled to any injunctive relief or damages under 15 U.S.C. § 1125 or the common law of the State of Idaho.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays that the Court enter judgment in its favor as follows:

A. Declaring that Plaintiff's conduct, including its marketing and providing services using the term "CapEd" does not constitute trademark infringement or unfair competition under the Lanham Act or under Idaho State law;

B. Declaring that Defendant is not entitled to any injunctive relief with respect to Plaintiff's use of the term "CapEd";

C. Declaring that Defendant has not suffered any and will not suffer any harm or damages, and therefore is not entitled to any relief under the Lanham Act or under Idaho State law;

D. Declaring that Plaintiff is entitled to continue to use the term "CapEd" in connection with marketing and providing its services;

E. Declaring that Plaintiff is entitled to continue to use the term "CapEd" in all geographic areas predating the filing of Defendant's application to register its CAPFED Mark;

F. Awarding Plaintiff its costs, expenses and attorney's fees in this action; and

G. Awarding such other and further relief to which Plaintiff may be entitled as a matter of law, equity, or which the Court deems proper and just under the premises.

DEMAND FOR JURY TRIAL

Pursuant to Federal Rule of Civil Procedure 38, Plaintiff hereby demands a jury trial on all issues so triable.

DATED THIS 18th day of July, 2019.

HAWLEY TROXELL ENNIS & HAWLEY LLP

By /s/ Tracy L. Wright
Tracy L. Wright, ISB No. 8060
Attorneys for Plaintiff

United States of America
United States Patent and Trademark Office

CAPFED

Reg. No. 4,104,054

Registered Feb. 28, 2012

Int. Cl.: 36

CAPITOL FEDERAL SAVINGS BANK (UNITED STATES FEDERALLY CHARTERED
MUTUAL SAVINGS ASSOCIATION)
7000 KANSAS AVENUE
SUITE 517
TOPEKA, KS 66603

SERVICE MARK

PRINCIPAL REGISTER

FOR: BANKING, CREDIT CARD TRANSACTION PROCESSING, AND RELATED FINANCIAL SERVICES, NAMELY, PROVIDING FINANCIAL ANALYSIS, CONSULTATION, PLANNING AND MANAGEMENT, COMMERCIAL AND CONSUMER LENDING, MORTGAGE LENDING, AND LOAN FINANCING; DEBIT CARD SERVICES, ELECTRONIC PROCESSING AND TRANSMISSION OF BILL PAYMENT DATA, FINANCIAL INFORMATION IN THE NATURE OF RATES OF EXCHANGE, GUARANTEEING LOANS, MORTGAGE BANKING, SAFETY DEPOSIT BOX SERVICES, SAVINGS ACCOUNT SERVICES, AUTOMATED TELLER MACHINE SERVICES, AND PROVIDING INVESTMENT ANALYSIS, CONSULTATION, PLANNING, MANAGEMENT, ADVISORY, BROKERAGE, BANKING, AND RESEARCH SERVICES WITH RESPECT TO STOCKS, MUTUAL FUNDS, SECURITIES, BONDS, COMMODITIES, REAL ESTATE AND OTHER INSTRUMENTS OF INVESTMENT, IN CLASS 36 (U.S. CLS. 100, 101 AND 102).

FIRST USE 0-0-1996; IN COMMERCE 0-0-1996.

THE MARK CONSISTS OF STANDARD CHARACTERS WITHOUT CLAIM TO ANY PARTICULAR FONT, STYLE, SIZE, OR COLOR.

SER. NO. 85-138,789, FILED 9-27-2010.

NICHOLAS COLEMAN, EXAMINING ATTORNEY



David J. Kyffers

Director of the United States Patent and Trademark Office

**REQUIREMENTS TO MAINTAIN YOUR FEDERAL
TRADEMARK REGISTRATION**

**WARNING: YOUR REGISTRATION WILL BE CANCELLED IF YOU DO NOT FILE THE
DOCUMENTS BELOW DURING THE SPECIFIED TIME PERIODS.**

Requirements in the First Ten Years*

What and When to File:

First Filing Deadline: You must file a Declaration of Use (or Excusable Nonuse) between the 5th and 6th years after the registration date. *See* 15 U.S.C. §§1058, 1141k. If the declaration is accepted, the registration will continue in force for the remainder of the ten-year period, calculated from the registration date, unless cancelled by an order of the Commissioner for Trademarks or a federal court.

Second Filing Deadline: You must file a Declaration of Use (or Excusable Nonuse) **and** an Application for Renewal between the 9th and 10th years after the registration date.*
See 15 U.S.C. §1059.

Requirements in Successive Ten-Year Periods*

What and When to File:

You must file a Declaration of Use (or Excusable Nonuse) **and** an Application for Renewal between every 9th and 10th-year period, calculated from the registration date.*

Grace Period Filings*

The above documents will be accepted as timely if filed within six months after the deadlines listed above with the payment of an additional fee.

**The United States Patent and Trademark Office (USPTO) will NOT send you any future notice or
reminder of these filing requirements.**

***ATTENTION MADRID PROTOCOL REGISTRANTS:** The holder of an international registration with an extension of protection to the United States under the Madrid Protocol must timely file the Declarations of Use (or Excusable Nonuse) referenced above directly with the USPTO. The time periods for filing are based on the U.S. registration date (not the international registration date). The deadlines and grace periods for the Declarations of Use (or Excusable Nonuse) are identical to those for nationally issued registrations. *See* 15 U.S.C. §§1058, 1141k. However, owners of international registrations do not file renewal applications at the USPTO. Instead, the holder must file a renewal of the underlying international registration at the International Bureau of the World Intellectual Property Organization, under Article 7 of the Madrid Protocol, before the expiration of each ten-year term of protection, calculated from the date of the international registration. *See* 15 U.S.C. §1141j. For more information and renewal forms for the international registration, see <http://www.wipo.int/madrid/en/>.

NOTE: Fees and requirements for maintaining registrations are subject to change. Please check the USPTO website for further information. With the exception of renewal applications for registered extensions of protection, you can file the registration maintenance documents referenced above online at <http://www.uspto.gov>.